High school graduate means an individual who has—

- (i) A high school diploma;
- (ii) A General Education Development (GED) Certificate; or
- (iii) Any other evidence recognized by the State as the equivalent of a high school diploma.

Institution of higher education means any public or private nonprofit institution of higher education, proprietary institution of higher education, or postsecondary vocational institution, as defined in section 481 of the HEA.

Participating State means a State that has submitted a participation agreement that has been approved by the Secretary.

Scholar means an individual who is selected as a Byrd Scholar.

Scholarship means an award made to a scholar under this part.

Secondary school year means the period of time during which a secondary school is in session, as determined by State law.

Year of study means the period of time during which a full-time student at an institution of higher education is expected to complete the equivalent of one year of course work, as defined by the institution.

(Authority: 20 U.S.C. 1070d-31 *et seq.*, 20 U.S.C. 1088)

Subpart B—How Does a State Apply for a Grant?

§654.10 What must a State do to apply for a grant?

- (a) To apply for a grant under this program, a State must submit a participation agreement to the Secretary for review and approval by the deadline announced annually by the Secretary in the FEDERAL REGISTER.
- (b) On the Secretary's approval of its initial participation agreement for fiscal year 1993 or thereafter, a State need not submit a new participation agreement to be considered for funding under this program in subsequent years, except that any changes in the State's criteria and procedures must be incorporated in a revised participation

agreement which must be submitted to the Secretary for review and approval.

(Approved by the Office of Management and Budget under control number 1840-0612)

(Authority: 20 U.S.C. 1070d-35)

§654.11 What is the content of a participation agreement?

- A State's participation agreement must include the following:
- (a) A description of the criteria and procedures that the State, through its State educational agency (SEA), plans to use to administer this program in accordance with the requirements of this part, including the criteria and procedures it plans to use to—
- (1) Publicize the availability of Byrd scholarships to students in the State, with particular emphasis on procedures designed to ensure that students from low- and moderate-income families know about their opportunity for participation in the program;
 - (2) Select eligible students;
- (3) Notify scholars of their selections and scholarship awards;
- (4) Monitor the continuing eligibility of scholars:
- (5) Disburse scholarship funds in accordance with the requirements of §654.50; and
- (6) Collect scholarship funds improperly disbursed.
- (b) Assurances that the SEA will-
- (1) Comply with the criteria and procedures in its approved participation agreement;
- (2) Submit for the prior written approval of the Secretary any changes in the criteria and procedures in the approved participation agreement; and
- (3) Expend the payments it receives under this program only as provided in §654.3.

(Approved by the Office of Management and Budget under control number 1840–0612)

(Authority: 20 U.S.C. 1070d-35 to 1070d-38)

Subpart C—How Does the Secretary Make a Grant to a State?

§654.20 How does the Secretary approve a participation agreement?

The Secretary approves a participation agreement if it contains all of the

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information and assurances required in §654.11 and is in compliance with the requirements of this part.

(Authority: 20 U.S.C. 1070d-31 et seq.)

§654.21 How does the Secretary determine the amount of the grant to each participating State?

- (a) From the funds appropriated for this program, the Secretary allots to each participating State a grant equal to \$1,500 multiplied by the number of scholarships the Secretary determines to be available to that State on the basis of the formula described in paragraph (b) of this section.
- (b) The number of scholarships that the Secretary allots to each participating State for any fiscal year bears the same ratio to the number of scholarships allotted to all participating States as each State's population ages 5 through 17 which is derived from the most recently available data from the U.S. Bureau of the Census bears to the population ages 5 through 17 in all participating States, except that—
- (1) Not fewer than 10 scholarships are allotted to any participating State; and
- (2) The District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, American Samoa, the Commonwealth of Northern Mariana Islands, Guam, and the Trust Territory of the Pacific Islands (Palau) each are allotted 10 scholarships.

(Authority: 20 U.S.C. 1070d-34, 1070d-37)

Subpart D—How Does a Student Apply to an SEA for a Scholarship?

§654.30 How does a student apply to an SEA for a scholarship?

To apply for a scholarship under this program, a student must follow the application procedures established by the SEA in the student's State of legal residence.

(Authority: 20 U.S.C. 1070d-37)

Subpart E—How Does an SEA Select an Eligible Student To Be a Scholar?

§654.40 Who is an eligible student?

A student is eligible to be selected as a scholar if he or she—

- (a) Is a legal resident of the State to which he or she is applying for a scholarship:
 - (b)(1) Is a U.S. citizen or national;
- (2) Provides evidence from the U.S. Immigration and Naturalization Service that he or she—
- (i) Is a permanent resident of the United States; or
- (ii) Is in the United States for other than a temporary purpose with the intention of becoming a citizen or permanent resident; or
- (3) Is a permanent resident of the Trust Territory of the Pacific Islands (Palau);
- (c) Becomes a high school graduate in the same secondary school year in which he or she submits the scholarship application;
- (d) Has applied or been accepted for enrollment as a full-time student at an institution of higher education;
- (e) Is not ineligible to receive assistance as a result of default on a Federal student loan or other obligation, as provided under 34 CFR 75.60; and
- (f) Files a Statement of Selective Service Registration Status, in accordance with the provisions of 34 CFR 668.33 of the Student Assistance General Provisions regulations, with the institution he or she plans to attend or is attending.

(Authority: 20 U.S.C. 1070d-36, 50 U.S.C. App. 462, 20 U.S.C. 1091)

§654.41 What are the selection criteria and procedures?

(a) The SEA shall establish criteria and procedures for the selection of scholars, in accordance with the requirements of this part, after consultation with school administrators, school boards, teachers, counselors, and parants